DECEMBER 21, 1964

PORT OF HAMBURG MARKS
ITS 775th ANNIVERSARY

GREECE'S NEW FARM POLICY

U.S. FARM EXPORTS AT PEAK
TO WESTERN HEMISPHERE

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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Seaman on pilot boat surveys the ships berthed in the port of Hamburg. One of the busiest ports in Europe, Hamburg marked its 775th anniversary this year. See other pictures on pages 5-7.

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Left above, modern machinery harvests wheat, while below, farmer uses oxen to plow his field. Above, Greek youngsters bask in sun while family works the farm.

New Greek Farm Policy To Support Higher Income Crops

Greece's new agricultural policy, announced in mid-October, introduces in the next crop year a systematic program of agricultural development, promising the nation's farmers subsidies for growing higher income crops and security prices for all commodities.

Designed to cover a 5-year period, the program has as its basic objective a shift of Greek agriculture out of non-money-making crops into those that will raise farmers' incomes and at the same time benefit the country's foreign exchange position. It also underlines the importance of a more productive livestock industry and the development of feeds to take care of these greater livestock numbers.

The 5-year targets

Specifically, the new policy sets forth the following targets:

- The doubling of cotton production within the next 5 years. Land will be reclaimed through irrigation for this purpose.
- Increased production of animal feeds and forage, i.e., alfalfa, legumes, barley, corn, and sorghum.
- Coverage of domestic requirements for edible pulses.
- Increased production of livestock products, especially meat, milk, and eggs.
- Expanded cultivation of sugar beets, so that the by-products may contribute to a growing livestock and dairy industry.
- Limitation of wheat production up to the level of self-sufficiency, with a simultaneous improvement of the varieties.

With regard to wheat, prices have been established for the different types, but farmers who planted no more than 10 acres during the past season will receive higher prices in the form of free capital from the Agricultural Bank to enable them to switch to higher income-producing crops, or to invest in farm improvements which will help raise their incomes. Furthermore, no wheat will be permitted to be grown on irrigated land or on land made available for the grazing of livestock.

Incentives for desired crops

To accomplish these objectives, effective incentives are being enacted in favor of the preferred crops, i.e., those that help raise farmers' incomes. These take the form of land and seed subsidies. Also, security prices have been set at which the government will purchase unlimited quantities of animal feeds, edible pulses, and livestock products, principally meat, milk, and eggs.

The program takes into account the geographic pattern of the country. Crops are to be grown on soils suitable to them and are to be rotated so as to avoid plant diseases and reduction of yields.

In announcing this new farm policy, the Prime Minister, George Papandreou, stated that the new measures "guarantee that no farmer's income will be below his previous income, but on the contrary will be considerably higher, even in the first year of the plan."

"These measures," he continued, "formulate for the first time a sound agricultural policy. The shift to higher income crops was impossible to realize on the basis of previous policies. In our policy, for the first time, effective incentives are launched for the cultivation of desirable crops, and security prices for these crops are set and announced before planting. The farmer knows not only

the price, which is fully guaranteed, but furthermore, can be confident that his crops will be definitely marketed. Thus he has assurance that the product of his efforts will not remain undisposed, nor be destroyed."

Wheat the main problem

Greece's program is ambitious and should be successful, at least, in part. The government's major problem today is the reduction of wheat acreage to where it will meet only domestic needs. For many years, the government has tried to convince wheat growers to shift to crops bringing in a better income, but the incentives offered were of questionable influence. The fact that the country's cotton crop increased in 1963 while wheat acreage fell off is misleading; the weather was bad during wheat planting that year.

What measures will be taken to prevent farmers from putting irrigated land into wheat has not been announced yet; therefore, it remains to be seen whether such land will be used for cotton, corn, pulses, or sugar beets. Probably the farmers themselves will eventually decide how effective the new incentives are in changing production.

Although the crop part of the program is possible of achievement, the livestock goals are thought to be premature. The incentives granted would produce a very satisfactory income for livestock producers, but it is doubtful whether the program could be put into effect soon because of lack of facilities like stock markets, refrigeration.

It is reported that the Greek Government would like to increase cattle numbers by more than 50,000 so as to reduce meat imports. It plans to import cattle and currently is thinking in terms of bringing in feeder cattle from the United States. The Italian experience (Italy took nearly 8,000 head of U.S. baby calves and 4,600 of grown cattle this past year) has been reviewed, and it is understood that a representative will be sent there to observe the program. The major obstacle is the transportation cost, but it is believed that if such a program develops, the government will subsidize transportation.

With regard to the poultry industry, its development at a rapid pace will oblige the government sooner or later to study measures which will enable this industry to grow in a more orderly manner. One of the major problems is the lack of adequately trained veterinarians to handle possible disease outbreaks.

Thus far beet sugar production has been satisfactory, and it is understood that the government is likely to increase the number of sugar mills from the present three to six or more. Increased sugar beet production is associated with a growing livestock industry, for up to now, the fullest use has not been made of the byproducts.

Effectiveness of subsidies

Subsidies are granted in three ways—security prices, area subsidies, and seed subsidies—and only experience will tell whether those announced will prove to be adequate incentives for the farmers.

The security price for wheat is still attractive in the most productive wheat areas, whereas the lack of security price for cotton makes it less attractive than wheat in Thessaly and Macedonia. The security price for poultry is extremely generous, and it is conceivable that it will encourage a too-rapid expansion with detrimental effects. The area and seed subsidies for forage crops are designed to provide feed for the expanding livestock and poultry industries. There should be a sizable market for U.S. forage and hybrid seeds if the program is actually carried out, as well as a continuing market for feed grains.

In order to utilize greater amounts of the surplus wheat, the government plans to lower the extraction rate of flour to 70 percent. This should produce a better quality bread and at the same time increase the availability of bran. Because of the involved control exercised by the government over the wheat-flour-bread cycle in terms of prices, it is not felt that this program will be implemented early enough to solve the present wheat dilemma. Actually, more emphasis should be placed on the production of wheat of higher protein and better gluten content, even at the expense of total production and yields.

JOHN D. MOTZ, *U.S. Agricultural Attaché in Greece, supplied a translation of Greece's new plan, along with his comments which have been incorporated in this article.*

Canada Changes Moisture Measure for Wheat To Aid Exports

Canada's Board of Grain Commissioners recently adopted a new technique for measuring the moisture content of grain, designed to maintain international respect for Canada's "certificate final" on marketable wheat.

The change involves adjusting the calibration of Canadian testing equipment to match that used in most importing and exporting countries. Previous Canadian methods allowed for more moisture than the standards generally accepted; when Canadian instruments said wheat contained 14.5 percent moisture, others showed it as 15 percent. Canadian wheat, to be rated dry, must now contain ½ to 1 percent less moisture than formerly.

Coincidentally, the new regulations became effective in a harvest season marked by wet weather over many parts of Canada's wheat-producing prairie Provinces. No specific figures are yet available, but it has been estimated that about 40 percent of the 1964 Prairie red spring wheat crop graded No. 4 Northern or lower. Canadian Department of Agriculture economists have indicated that increased supplies of lower grade wheat, plus a record corn harvest, may cut Canada's imports of U.S. corn to about 10 million bushels—half the 1963-64 figure.

A delegation of the National Farmers Union was told by the Board's chief grain inspector that Canada had been permitting higher moisture levels in its export grades of wheat than any other exporting country, at 14.5 percent maximum for straight or dry grades. Mentioning the recent U.S. action in lowering moisture limits to 13.5 percent on all straight grade classes, he commented:

"It was done in the face of strong opposition from some of their own people, in the conviction of their marketing experts that it was in the best interests of their export trade in grain. Moreover, by their official method of testing, they have reported moisture content as much as ½ percent higher than we have; this has meant that since last June 1 their moisture limits have, in actual fact, been 1½ percent lower." —JOHN C. MCDONALD

Acting U.S. Agricultural Attaché, Ottawa, Canada

The Port of Hamburg Marks Its 775th Anniversary

Rebuilt after World War II, this North German seaport is one of the world's largest, but the impact of intra-EEC trade now casts some shadow on its future.

This past year the North German seaport of Hamburg has been commemorating its 775th anniversary as one of the oldest and most influential mercantile centers of the world. Throughout its long history it has had brilliant commercial success and at times has dominated the trade of Europe. Yet it has suffered from the severest reverses of fortune and each time managed to build itself up again. Its seaborne cargo alone totaled 33.3 million tons in 1963.

Hamburg, though planned by Charlemagne and established by his successors to protect the northern borders of the empire, did not come into prominence until the 12th century when Germany became part of the large European-Mediterranean trading system. Before setting out on a crusade the Emperor Frederick Barbarossa granted "letters patent" to the citizens of the city giving them the right of maritime traffic on the River Elbe free from imperial taxes and customs duty. Thanks to these privileges, Hamburg merchants were soon trading with all the countries on the Baltic and were even represented in London's trade circles.

The Hanseatic League

The city's first real rise came with the development of the Hanseatic League. Originating as a group of trading associations that did business abroad, it became in the 14th century a powerful corporation of some 30 large cities as well as many smaller towns, and as such, it practically controlled the shipping of North Europe.

With the decline of the League, Hamburg's own initiative began to develop, and in the years that followed, its merchants managed to secure their own share of the world's trade. Through a policy of neutrality they not only survived the disastrous Thirty Years War without losses but even made a tremendous upswing in the mid-17th century. The war between the American Colonies and England further stimulated Hamburg's overseas business, and this was soon supplemented by trade with the West Indies.

Hamburg's success was frequently punctuated by disaster. When French troops occupied the city in the early 19th century, its wealth dwindled away and the merchant fleet was lost. Hamburg started up in business again and attained the lead position in the trade of Central, North, and Eastern Europe, only to have the collapse of the Third Reich in 1919 cause another serious financial disruption. What it had regained through the years of the world economic crisis was finally lost in World War II when the greater part of the port and city was reduced to ruins. That it rose again to become a great seaport is one of the miracles of postwar Europe.

Concern about EEC trade

Today Hamburg's port is faced with a new problem—the trade policies of the European Economic Community, of which West Germany is a member. So far these have not affected the port's business seriously, but port officials are looking ahead, and not without concern.

"The future of the port will be determined by the EEC's common transport policy, or its influences on

Sailing vessels berthed in Port of Hamburg, 1903

Not since 1656 have the Elbe shipping lanes been an hour without pilot services. Above, pilot climbs ship's ladder; right top, examining ship chart in pilot station; bottom right, U.S. ship discharges grain into river barge; left, new transit-shed loading platform.

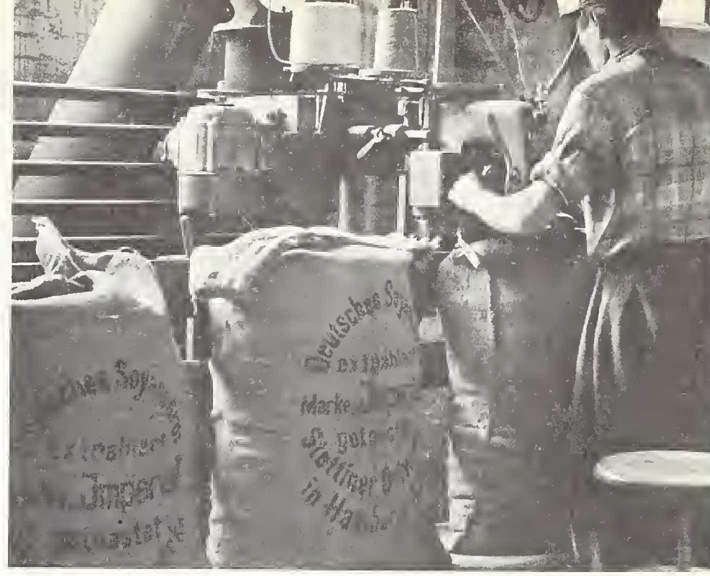
our hinterland traffic," Mayor Edgar Englehard told the members of the Europa-Union at a meeting in Hamburg last year. And at the same meeting, Harm Westendorf, head of Hamburg's Port Authority, talked about the consequences to the port's shipping from the advancing integration within the EEC.

"Increasing trade between the EEC countries," he said, "is bound to lead to a shift in the streams of trade to the advantage of the 'dry' frontiers, and to a smaller proportion of seaborne trade in EEC's total trade.

"This is clearly demonstrated by these figures: Between 1957 and 1962 the share of the EEC countries in West Germany's foreign trade increased from 27 to 33 percent; the EFTA countries held steady at 23 percent, but trade with the remaining nonmember states shrank from 50 to 43 percent. Of Hamburg's seaborne trade only 5 percent was with the EEC countries, 20 percent with EFTA, and as much as 75 percent with the so-called third countries.

"The German seaports will be particularly hard hit by a decline in the imports of foodstuffs from overseas as a result of the EEC agricultural market regulations, since West German imports of these commodities are mainly routed via the German ports. In addition, the preferential treatment of the Associated Territories may lead to a further shift in trade, since a rising proportion of imports from these countries in the EEC market will, without doubt, lead to fewer imports from third countries. For geographic reasons, imports from the associated countries will most probably be routed in the main via the ports situated in the southern regions of the Community."

Mr. Westendorf further pointed out that the formation of a larger integrated market within the EEC may cause the relocation of industries to central and



Above, Hamburg dockhands unload U.S. soybeans from hold of ship; and right top, bagging soybean meal. Also right, stacking tobacco hogsheads in warehouse. Germany is a big buyer of U.S. tobacco.

peripheral positions, and that this structural shift is bound to be harmful to the German ports.

Against protectionist policy

"Nevertheless," he added, "the creation of a larger market will not have merely negative results for the German seaports. It is hoped that after a certain transition period the trade of the EEC countries with the rest of the world will expand, unless this is prevented by a completely wrong protectionist trade policy. Historically, up to now the union of originally separate economic areas has always led to increased trade, and not only between the areas concerned."

Mr. Westendorf, concluding his address, said that the principal demands of the German seaports on the Community were: A liberal foreign trade policy of the Community; expansion of the EEC to include at least Great Britain and Scandinavia; a tariff policy allowing for competitive tariffs; and equal competitive conditions in transport.

Much of the material in this article appeared in the January and March 1964 issues of the monthly mercantile review published in Hamburg: Ship Via Hamburg. *Photos were supplied by this publication and also by Foto-Archiv Lachmund and the Soybean Council of America, Hamburg office.*

Bale of cotton is checked and examined after it leaves ship. Many farm products unloaded at Hamburg are transshipped throughout Europe.

U.S. Farm Exports to Western Hemisphere at New Peak

By GAE BENNETT
Foreign Regional Analysis Division
Economic Research Service

The United States' agricultural exports to countries of the Western Hemisphere reached an all-time high of $1,154 million during fiscal year 1964—15 percent above a year earlier.

The leading commodities exported were wheat and flour, $238 million; corn, $113 million; fruits and preparations, $128 million; vegetables and preparations, $86 million; soybeans, $79 million; cotton, $63 million; dairy products, $53 million; and meat and meat preparations, $54 million.

Canada—our No. 2 farm market

Exports of agricultural goods to Canada—all commercial sales—amounted to $618 million. This included an estimated $160 million of in-transit shipments which are placed in bonded storage in Canada and are used to finish loading ships moving through the St. Lawrence Seaway. U.S. agricultural exports to Canada, excluding in-transit shipments, were 8 percent of total U.S. farm exports.

These shipments to Canada were comprised of: $31.5 million of meat, about half of which was fresh pork; $88.9 million of corn—$9.0 million more than the prior year; $76.0 million of soybeans—a $15 million increase over 1962-63; $60.0 million in vegetables and preparations—fresh tomatoes, lettuce, celery, onions, and potatoes were the leading items; $108.4 million of fruits and preparations—oranges and tangerines, fresh grapes, frozen orange juice, and canned fruits were of greatest importance; $58.3 million in cotton—an increase of $18.6 million over fiscal year 1963; $61.5 million of wheat, which was mainly in-transit shipments; and large amounts of feeds and fodders, vegetable oils, rice, and tobacco.

The three leading L.A. markets

The Latin American countries took $536 million worth of U.S. agricultural commodities in fiscal 1964. Of these, $343 million were commercial sales, and $193 million were under special programs, mainly Public Law 480.

Exports to Brazil, the largest Latin American market, were $100.6 million—down 9 percent from the previous year. Dollar sales totaled $13.5 million, P.L. 480 shipments $87.1 million. A decline of 14 percent in wheat shipments, which accounted for over 80 percent of U.S. agricultural exports to Brazil, was responsible for the reduction. Exports of dairy products, largely dried milk, showed a $3.8-million increase over the previous year, bringing the total to $13.6 million.

During the year ending June 30, 1964, Venezuela became the second largest U.S. Latin American market, taking $83 million of agricultural goods—a 36-percent gain over the previous year. Of these, $68 million were for dollars, $15 million under P.L. 480.

This increase resulted from a $9.5-million jump in wheat shipments, which totaled $19.3 million; a $4.1-million increase in corn; and gains in fats and oils, meats, and items under relief and charity. Exports of dairy products continued to fall in the face of increased Venezuelan imports from Canada, the Netherlands, Denmark, and the United Kingdom. The drop in U.S. wheat prices as well as stepped-up market promotion work appeared to be the contributing factors for the rise in shipments of wheat. Venezuela's short 1963 crop was largely responsible for the large imports of corn.

Shipments to Mexico, valued at $76 million, remained about the same as in the previous year. Dollar sales were $65 million, P.L. 480, $11 million. Corn, the largest single item, amounted to $13.2 million. Other important exports were tobacco, dairy products, fruits, and vegetables.

Some large gains made

Exports to the Dominican Republic, Colombia, Ecuador, Peru, and Jamaica showed the greatest relative gains in Latin America.

Shipments to the Dominican Republic continued the recent uptrend, reaching $28 million—a 60-percent gain over 1962-63. Shipments of rice, wheat, beans, and vegetable oils showed greatest gains.

Sales to Colombia made a comeback during last year, reaching $32 million—$12 million above the low year of 1962-63. The gain is attributed to increases in wheat, vegetable fats and oils, corn, and cotton.

Export items to Ecuador which showed greatest increases were tallow, wheat, and vegetable fats and oils. Relief shipments rose too.

Exports to Peru and Jamaica increased by 64 and 48 percent respectively. Rice shipments to Peru were up by $5.3 million because of the short rice crop while dairy products rose $2.9 million and wheat $2.3 million. Jamaica increased imports of wheat, rice, tobacco, and vegetables.

Exports to Chile dropped $10 million, for the most part because of lower wheat shipments. Trade with other Latin American countries remained fairly stable.

U.S. AGRICULTURAL EXPORTS TO THE WESTERN HEMISPHERE

Country or area	1961-62	1962-63	1963-64[1]
	Mil. dol.	*Mil. dol.*	*Mil. dol.*
Mexico	56.6	77.9	75.7
Guatemala	9.9	10.0	11.5
El Salvador	6.2	7.1	8.1
Honduras	3.6	4.3	4.2
Nicaragua	4.2	4.4	6.5
Costa Rica	5.1	5.1	6.5
Panama	10.3	10.6	11.5
Cuba	.4	13.4	2.2
Haiti	9.4	7.4	9.0
Dominican Republic	4.5	17.7	28.3
Colombia	27.4	20.0	31.8
Venezuela	86.6	60.7	82.8
Ecuador	6.5	6.4	10.6
Peru	24.1	20.2	33.1
Bolivia	8.4	12.0	14.9
Chile	33.6	31.0	21.2
Brazil	106.5	109.4	100.6
Paraguay	4.9	3.5	3.0
Uruguay	4.1	3.0	3.3
Argentina	2.7	2.7	2.9
Jamaica	11.0	12.4	18.4
Trinidad and Tobago	11.0	11.3	10.1
Other Latin America	35.1	36.0	39.7
Total Latin America	472.1	486.5	535.9
Canada	520.6	517.4	618.3
Other Western Hemisphere	.1	.1	--
Total Western Hemisphere	992.8	1,004.0	1,154.2
Total agricultural	5,140.6	5,078.2	6,074.5

[1] Preliminary.

Yugoslavia Becoming Cash Market As Its Economy Grows

By CLYDE R. KEATON
U.S. Agricultural Attaché, Belgrade

Yugoslavia's economy continues to expand at a rapid rate. This year its Gross National Product is expected to increase about 12 percent—the same rate as in 1963—and most experts predict a continuation of this growth well into 1965. There is, however, a shortage of foreign currency reserves; now about $80 million, they represent less than 1 month's import requirements.

Currently, the Yugoslav Government is pursuing two basic policies: First, to provide its people with more consumer goods now instead of from 5 to 10 years as previously promised; and second, having recognized agriculture as the No. 1 problem, to develop the agricultural economy as rapidly as possible.

Agriculture is vital to the nation's economy. In 1963 the value of agricultural output represented about 25 percent of the GNP and 40 percent of total exports. (Farm products that year represented 31 percent of all imports.)

Also, agriculture is showing continued growth. Crops—other than wheat, rye, and soybeans—have scored a sharp increase during the past 3 years; and the output of eggs and poultry has risen sharply, although the production of livestock and products has been about the same. Substantial increases are expected this year and next.

U.S. has double interest

These production trends are important to U.S. agriculture—first, because of competition with Yugoslav products in world markets, and second, from the standpoint of Yugoslavia as a market for U.S. farm commodities.

Basically, Yugoslavia is a competitor with the United States in the export market, principally in Italy, the United Kingdom, West Germany, and Austria. It also ships to the United States and Canada. Its chief exports are meat and meat products, which account for 33 percent of its agricultural sales. Other important products are tobacco, fruits and vegetables, corn, livestock, and hops. Larger exports of all of these can be expected as output rises.

With regard to imports, government policy allows the maximum degree of freedom when the foreign exchange situation permits; however, when there is a shortage, as at present, some controls are exercised. The general policy is to buy from many countries to encourage two-way trade.

At present, grains—mainly wheat—account for about 17 percent of Yugoslavia's agricultural imports, while other important products purchased include cotton, oilseeds, vegetable oils, lard, tallow, and hides and skins. Predictions are that for the next several years the country will need to import the following: Wheat—at least 500,000 metric tons for blending if production meets requirements; cotton—a 10-percent increase each year over the current 90,000 tons; and edible vegetable oils—about 15,000 tons. However, imports from the United States of other products—hides and skins, milk products, oilseeds, and lard—are expected to decline as domestic production increases.

There has been a general upward trend in Yugoslavia's imports of agricultural commodities from the United States and also a gradual movement toward placing them on a commercial basis. At first, all imports were under Title I, Public Law 480, and since 1962 a portion has been under Title IV. (Title I imports are paid for in local currency, while Title IV are purchased on long-term credit. Title II shipments are for relief.) Last year though, of the $120 million worth imported from the United States, about 15 percent was for cash, another 15 percent for long-term credit, and the remainder under Title I.

This year—1964—represents a further advance. Of the estimated $120 million worth of U.S. farm imports, about 15 percent will be for cash, 70 percent for long-term credit, and the remainder Title II arrangements. (U.S. legislation recently suspended Title I sales to Yugoslavia.)

Market more attractive

As for the future—Yugoslavia is becoming a cash market and competition for this market is increasing. The Zagreb International Trade Fair was participated in by 58 countries and the Novi Sad Agricultural Fair by 18. In recent months the French have held a fashion show in Belgrade; also, the Italian, West German, Soviet, and Indian Embassies have displayed cotton, silk, and wool products for sale.

Yugoslav economists are generally optimistic about the country's ability to continue its economic expansion as well as its ability to buy on a cash basis. The United States is in a favorable position to benefit. Some $1.2 billion worth of U.S. farm products have been shipped to Yugoslavia since 1952, which means that purchasing and marketing channels have been established. By strengthening these trade ties and by vigorous promotion programs, the United States should be able to maintain and even increase its share of this growing market.

YUGOSLAVIA'S PRINCIPAL AGRICULTURAL IMPORTS AND FORECAST, 1965 AND 1970

Commodity	1958	1960	1963	1964 [1]	1965	1970
	1,000 metric tons	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*
Milk, powdered	37.8	16.9	23.1	25.0	30.0	25.0
Wheat, wheat flour	821.4	158.1	1,478.8	800.0	500.0	500.0
Rice	28.6	43.3	38.9	25.0	30.0	25.0
Fruit, citrus	19.0	40.1	38.3	42.0	45.0	60.0
Hides and skins	17.4	26.3	29.2	32.0	35.0	40.0
Oilseeds	1.0	12.0	23.5	15.0	15.0	10.0
Cotton	38.3	42.9	67.0	90.0	95.0	125.0
Vegetable oils	35.2	32.1	32.9	25.0	20.0	20.0
Lard	21.6	---	7.4	5.0	---	---
Tallow	15.0	6.2	11.8	12.0	15.0	15.0

[1] Estimated.

YUGOSLAVIA'S PRINCIPAL AGRICULTURAL EXPORTS AND FORECAST, 1965 AND 1970

Commodity	1958	1960	1963	1964 [1]	1965	1970
	1,000 metric tons	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*	*1,000 metric tons*
Red meat, fresh	18.8	36.7	94.2	95.0	107.0	120.0
Red meat, canned	12.5	21.1	23.6	22.0	24.0	32.0
Corn	571.8	513.5	104.0	400.0	500.0	1,000.0
Fruit, fresh	26.1	22.3	23.6	15.0	25.0	40.0
Prunes	21.0	19.6	33.0	20.0	28.0	32.0
Fruit pulp	21.8	15.4	16.0	12.0	18.0	25.0
Hops	2.5	4.7	4.7	4.8	5.0	6.0
Tobacco	23.2	18.5	16.9	22.0	25.0	30.0

[1] Estimated.

U.S. Exhibit at Berlin Green Week Next Month To Feature U.S. Meat and Livestock Products

The U.S. meat industry will demonstrate to Germans at the upcoming Berlin Green Week, January 28-February 6, that marbled U.S. beef tastes better, and charcoal-broils better, than the lean meat they are accustomed to.

Sponsored by the U.S. Information Agency, the U.S. Exhibit will be the first in Europe devoted exclusively to U.S. meat and livestock products. Cooperating with USIA are the American Meat Institute, the Tanners' Council of America, Inc., the U.S. Feed Grains Council, and FAS.

The recent Paris Food Fair where U.S. beef stole the show—and earlier fairs in Hamburg and Amsterdam—proved that U.S. meat, actually tasted, was the best salesman the product could have since most Europeans have no idea what American beef tastes like and can hardly be persuaded to pay higher U.S. prices for beef unless they do.

U.S. meat promotion at Berlin is designed to acquaint the million or more German consumers and importers expected to attend Green Week with the high quality of U.S. meat, especially beef. Full-course steak dinners will be sold at a steak restaurant, hamburgers at an American-style hamburger stand in the main exhibit area, and U.S. beef cuts and variety meats at a butcher shop. Canned meats will be extensively displayed.

A USFGC exhibit will show how the use of feed grains in balanced livestock feeding in the American manner contributes to the development of the U.S. animal. (U.S. feed grains exports to West Germany are expected to rise in 1965 from the 1964 fiscal year total of 987,767 metric tons.)

Although there is no shortage of beef in Germany, limited supplies have kept prices up since August of last year. Germany imported some 178 million pounds of fresh and frozen beef and veal in the first 8 months of 1964, mostly from France and Argentina; about 28 million pounds of variety meats came from the United States. While U.S. beef is not competitively priced right now, the U.S. meat industry is hopeful that chances for sales will improve if tightening supplies fail to meet the growing demand and if promotion of special U.S. beef qualities stimulates sufficient consumer interest.

An attention-getter at the U.S. Exhibit will be twice-daily leather fashion shows featuring the latest in men's and women's leather wearing apparel and accessories. Successfully used by the Tanners' Council at Paris and Tokyo, this promotional technique should again serve to focus attention on U.S. hides and skins. Germany is an increasingly good market for U.S. hides and skins with sales for the first 10 months of 1964 at $7 million, double those for the same period in 1963 and close to the 1957 record.

Big Sale of U.S. Breeding Cattle at Mexican Livestock Show

Over 100 head of purebred U.S. breeding stock were sold last month by U.S. beef and dairy cattle associations participating for the first time in Mexico City's National Livestock Show. For the seven organizations, it was the most intensive promotion to date in Mexico—the United States' largest market for breeding cattle.

According to one U.S. cattleman, "This was the best promotional opportunity ever afforded the various breed associations in Mexico. The record number of Mexican cattlemen—about 1,750 in all—who wanted more information definitely indicates the project's success."

The U.S. pavilion attracted about 1,000 Mexicans per day — mostly prominent livestock producers, government officials, and veterinarians—who talked to representatives of FAS and U.S. livestock organizations.

The U.S. groups participating were: American Angus Association, American Hereford Association, American-International Charolais Association, Santa Gertrudis Breeders International Holstein-Friesian Association of America, and Brown Swiss Association.

Mexico's improving standard of living and efforts of its livestock industry to upgrade beef and dairy output made the U.S. promotion particularly timely. During the first 9 months of 1964, Mexico bought 4,759 head of purebred beef cattle, and 2,874 head of U.S. dairy breeding stock.

At National Livestock Show in Mexico City were: (l-r) Harry Gayden, Executive Secretary, American Brahman Breeders; Dr. Octavio Ochao-Ochao, President, Mexican Livestock Federation; and Henry Hopp, U.S. Agricultural Attaché

Prospects Seen Encouraging for U.S. Cotton Exports to Asia and Africa

A recent report on eight markets for U.S. cotton in Asia and Africa indicates bigger exports to the small markets and continued high-level trade with the large.

USDA Marketing Specialist Guy A. W. Schilling, just back from these countries, bases his forecast on talks with trade and government officials and a first-hand inspection of textile industries. His primary mission was to explain U.S. export programs for cotton and to discuss importers' problems.

Accounting for about one-sixth of world U.S. cotton exports, the eight countries visited include both the sizable markets for U.S. cotton—India, Thailand, Korea, the Philippines, and Hong Kong—as well as the emerging markets of Malaysia, Tunisia, and Lebanon.

U.S. cotton exports to countries in the latter group are expected to increase during this fiscal year, as will shipments to Thailand.

Malaysia and Tunisia

According to Mr. Schilling's report, most noteworthy development in the overall cotton picture is the accelerated textile activity in Malaysia and Tunisia—neither of which has heretofore shown signs of becoming a larger market. Increases in U.S. cotton exports, however, will be nothing spectacular; even with the new spindles to be added next year, Tunisia's and Malaysia's yarn output will remain the smallest of the eight countries.

Malaysia, which imported U.S. cotton for the first time about 8 years ago, is building a new spinning and weaving mill in Singapore that will accommodate 31,000 spindles (some for rayon and nylon) and 800 looms by the end of 1965, and another 10,000 at a later date. The 31,000—plus 15,200 to be added in its two existing spinning mills—will bring Malaysia's total capacity to approximately 56,000 spindles in 1965.

The increased yarn output will help meet a growing demand for fabrics by Malaysia's garment industry. Factories operating round-the-clock can now get but a small quantity of cloth from their own country, and must rely on Hong Kong and other Asian countries for the remainder.

These factors will probably combine to push 1964-65 imports of U.S. cotton considerably above last year's 2,200 bales (August-July), all under a barter program.

Tunisia also will be importing more than last year's 4,700 bales, under Title I of P.L. 480 and barter. This 2-year old market for U.S. cotton has only one spinning mill—12,000 spindles—but it uses U.S. cotton exclusively. The 16,000 spindles to be added in 1965 will enable Tunisia to produce 60 percent of yarn needs, the rest being imported from the outside.

Tunisia's cotton production

Though Tunisia raises some cotton, the industry is still in the experimental stage, and the 150 bales produced in 1964 were exported to Belgium.

Lebanon took 1,700 bales of U.S. cotton last year under barter. While its 80,000-spindle industry is not expanding much, the United States has been given an increasing share of business that formerly went to Syria and the United Arab Republic.

Among U.S. cotton's bigger markets in Asia, Thailand appears to have the best potential for increased imports next year. This wholly dollar market bought 40,000 bales in 1963-64 for its 116,000-spindle industry. To what extent the Thais will up purchases in 1965 depends on progress made toward the goal of doubling present spinning capacity. In the past, however, Thailand's expansion plans have been thwarted by difficulties in obtaining loans for much-needed foreign capital.

Leveling imports by India

India, importing 322,000 bales of U.S. cotton last year under Title I, is not expected to increase imports of U.S. Upland cotton greatly in 1965, barring a local crop failure. Its carryover stocks of 2.5 million bales on August 1, 1964, were the highest in recent years. There may, however, be small imports of U.S. extra-long staple cotton, now available under a new export program.

In both Korea and the Philippines, the picture is clouded by financial problems.

Korea's devaluation of the *won* in early 1964 created a shortage of operating funds and of local currency for buying the Title I cotton programmed to that country. Korea nevertheless imported a substantial 321,000 bales of U.S. cotton for its 607,000-spindle industry. Korea does a sizable textile trade, and in 1964 exported to the United Kingdom, West Germany, and Switzerland for the first time.

The precarious financial position of Philippine mills was precipitated by large imports of remnants and cloth that remained in the Philippines, rather than being re-exported as planned as embroidered cloth. Compounding the problem has been an uncertain *peso* rate, making it difficult for mills to obtain *peso* credit or to qualify for American dollar credit programs. The Philippines imported 144,000 bales of U.S. cotton last year, and will have increased its 620,000-spindle industry to 650,000 by the end of 1964.

Hong Kong last year imported 191,000 bales of U.S. cotton, most of which was for cash. While this country will have increased its spindle numbers from 638,000 to 700,000 by the end of 1964, most of the additional spindles will go for rayon fiber and synthetics, rather than for cotton.

America Day at Swiss Fair

"America Day" at Switzerland's recent OLMA Agricultural Fair, St. Gallen, did much to acquaint both Swiss and American businessmen with the market potential for agricultural products in that country, reports U.S. Agricultural Attaché Print Hudson.

The program, sponsored by U.S. Ambassador William True Davis, Jr., included special dinner receptions and tours of the OLMA Fair for members of Swiss-American clubs and representatives of U.S. commodity organizations promoting in Switzerland.

A fast-growing market for U.S. farm products, Switzerland purchased $73 million worth in fiscal 1964.

Poultry Promoted in Spain

Twenty-six of Madrid's top restaurant and hotel chefs recently saw how U.S. poultry is carved, prepared, and served at a demonstration sponsored by the U.S. poultry industry's International Trade Development Board as part of its program to promote U.S. poultry with institutional buyers.

The hotel trade is a primary target for ITDB promotion due to increasing tourist trade in Spain, a 130,000-pound market for U.S. poultry.

India Arranges Rice Imports from Thailand and Cambodia

The Government of India has signed agreements with the Governments of Thailand and Cambodia for imports of 25,000 metric tons of milled rice from each country.

India has nearly completed the imports from Burma, Egypt, Pakistan, and Thailand to which it was committed under previous agreements. In mid-November, its major remaining commitments for rice imports included 300,000 tons from the United States under P.L. 480 and 150,000 tons which Burma expects to export in 1965 under a 3-year agreement of December 1962.

India's 1964-65 rice crop, now being harvested, is expected to be a bumper one. Current production forecasts range between 54 million and 60 million tons of rough rice; the previous record output was 54.7 million tons in 1963-64. The crop will begin to reach the 1965 market in significant quantities at the beginning of the year.

Japanese Rice Prices to Consumers Increase

Japanese rice prices to consumers will increase by an average of about 15 percent beginning January 1, 1965.

Prices for economy grade rice will increase 8 percent, from 10.9 cents per pound to 11.8; those for ordinary grade 16 percent, from 12.03 to 14.9; those for extra special, also 16 percent, from 12.8 cents to 14.9.

The price increase is expected to raise each family's expenses by an average of 75 cents a month. However, they may not materially affect the rate of Japan's rice consumption.

British Tobacco Imports Decline

The United Kingdom's imports of unmanufactured tobacco during the first 9 months of 1964, at 188.1 million pounds, were down 7 percent from the 203.1 million imported during January-September 1963. Smaller takings from all major suppliers, except Canada, accounted for the decline.

Imports from Rhodesia, Zambia, and Malawi totaled 61 million pounds, compared with 72.7 million in January-September 1963; takings from India were down by 4 million from last year's 31 million. Imports from the United States, at 57.5 million, were off by 6.5 million, but those from Canada were up to 35.6 million from 30.6 million.

U.S. Tobacco Exports Down in October

U.S. exports of unmanufactured tobacco in October 1964, at 56 million pounds, were 27 percent below those of October 1963. The export value was $48.9 million compared with $62.4 million.

Flue-cured exports totaled 47.2 million pounds, down 27 percent from the 64.8 million shipped out in October 1963. Exports of burley, however, rose from 2.9 million pounds to 4.3 million. Exports of dark-fired Kentucky-Tennessee were up slightly, while those of Virginia fire-cured and Maryland were down substantially.

For the first 10 months of 1964, exports totaled 388.4 million pounds, down slightly from the 389.8 million shipped out last year.

A drop in shipments of cigarettes pulled down October 1964 exports of tobacco products, to $9.2 million worth from $10.6 million worth in October 1963. For the first 10 months of 1964, the total value of tobacco products exports was $104.5 million, up 5.3 percent from last year.

U.S. EXPORTS OF UNMANUFACTURED TOBACCO
(Export weight)

Kind	October		January-October		Change from 1963
	1963	1964	1963	1964	
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*Percent*
Flue-cured	64,784	47,243	307,062	299,975	— 2.3
Burley	2,939	4,349	36,558	39,611	+ 8.4
Dark-fired Ky.-Tenn.	1,318	1,408	11,384	15,377	+35.1
Va. fire-cured[1]	769	248	4,181	4,023	— 3.8
Maryland	1,220	785	8,723	9,519	+ 9.1
Green River	51	1	571	668	+17.0
One Sucker	271	29	428	148	—65.4
Black Fat, etc.	223	310	3,312	2,727	—17.7
Cigar wrapper	623	239	4,330	4,840	+11.8
Cigar binder	74	67	751	1,363	+81.5
Cigar filler	84	16	308	426	+38.3
Other	4,192	1,342	12,214	9,721	—20.4
Total	76,548	56,037	389,822	388,398	— .4
	Mil. dol.	*Mil. dol.*	*Mil. dol.*	*Mil. dol.*	*Percent*
Declared value	62.4	48.9	308.0	308.5	+ .2

[1] Includes sun-cured. Bureau of the Census.

U.S. EXPORTS OF TOBACCO PRODUCTS

Product	October		January-October		Change from 1963
	1963	1964	1963	1964	
Cigars and cheroots					*Percent*
1,000 pieces	3,084	3,743	28,637	36,899	+28.9
Cigarettes					
Million pieces	2,124	1,844	19,598	20,259	+ 3.4
Chewing and snuff					
1,000 pounds	38	42	425	345	—18.8
Smoking tobacco in pkgs.					
1,000 pounds	100	90	735	1,146	+55.9
Smoking tobacco in bulk					
1,000 pounds	608	636	8,448	8,376	— .9
Total declared value					
Million dollars	10.6	9.2	99.2	104.5	+ 5.3

Bureau of the Census.

Australian Tobacco Stabilization Scheme

Representatives of growers, manufacturers, State and Commonwealth officials met in Canberra on November 16 to discuss progress made in establishing a stabilization plan for the Australian tobacco industry.

Stabilization plan proposals, which at the present time are reported to have full support of growers' organizations, provide for the establishment of an Australia-wide marketing quota for production of domestic leaf, to be set for each of the next 4 years. The quota would be broken down into State quotas, and these, in turn, would be divided into quotas for individual growers. The plan would be administered by a Commonwealth Leaf Marketing Board, consisting of representatives of growers' organizations, manufacturers, and Commonwealth and State Governments.

Reports indicate that an Australian marketing quota of 26 million pounds (farm weight) represented a reasonable figure in the judgment of State and Commonwealth officials. On this basis, it was felt that a satisfactory grade and

price schedule could be worked out, with a reasonable average minimum price of around 125 pence (117 U.S. cents) per pound.

Following the meeting, the proposals were reported back by the participants to their respective organizations.

Even after the stabilization plans are finalized (after further negotiations), some time will be required to pass the legislation necessary for their implementation.

Ontario Flue-cured Auction Sales

Auction sales of the 1964 flue-cured tobacco crop produced in Ontario, Canada, opened November 12. Sales through November 20 totaled 12.5 million pounds at an average price of 57.2 Canadian cents per pound.

Last year, sales in the first 2 weeks of the auctions totaled 21.2 million pounds at an average price of 51.9 cents. The average price for all of 1963 was 46.8 Canadian cents per pound.

Growth in Pakistan's Jute Goods Industry Continues

Continued expansion of Pakistan's jute goods industry resulted in another record year for production and export sales of these goods during July-June 1963-64. Mill output of hessian cloth, sacking, and other jute products totaled 741.3 million pounds, an increase of 11 percent over the 667.9 million produced during 1962-63. Export sales of jute goods totaled 559.4 million pounds, up 14 percent from the previous year.

Pakistan produces about one-half of the world's supply of raw jute and is the principal exporter of raw fiber. Government policy has been directed toward exporting more goods in the form of jute manufactures.

The number of looms in operation has been increased and by June 30, 1964, reached 10,434. Pakistan's Second Five Year Plan, ending June 30, 1965, calls for 34 mills with a total of 20,000 looms. While the target capacity may be reached, it is considered unlikely that all of the new mills sanctioned will be in operation by the end of the period.

Canadian Honey Production Down

Canada's 1964 honey crop is estimated at 35.1 million pounds—17 percent below the record 1963 crop of 42.1 million. Colony numbers in 1964 were higher than in the previous year, but the average yield declined, mostly because of less favorable weather conditions.

Canadian honey exports this year are running somewhat above the 4,350,000 pounds shipped in 1963. The bulk of these shipments have been to the United Kingdom.

France Sets Sugarbeet Price

The French Government announced on November 27 a continuation of the same prices as in 1963 for sugarbeets and sugar.

The legal price per metric ton of sugarbeets for the 1964 crop is still 71.76 francs (US$13.28 per short ton), even though sugarbeet growers had asked that the price be raised to 80 francs per ton to compensate for increased charges for the resorption of surpluses. Increases in the resorption tax—to 7 francs per ton from 1.05 francs last year—were made necessary by the larger production and lower world prices.

To help offset this higher cost to farmers, however, the government has taken the following steps: (1) Remaining charges of the 1963-64 campaign will not be carried over into the present season, (2) exported sugar will not be assessed the social security tax for agriculture, and (3) the trade is authorized to add 150,000 metric tons of sugar to the stocks on hand at the end of the current season, thus reducing exports by that amount.

France has a larger sugar crop this year than last, when production amounted to 2,218,000 short tons, raw value. The sugar content of the beets this year is above average.

Thailand Improving Sugar Industry

Thailand recently took steps to improve the efficiency of its sugar industry. The Cabinet has instructed that a study be made of ways to lower costs of production, such as merging or reducing the number of mills, modernizing machinery, and improving quality and yield.

Thailand's sugar production for 1964-65 is estimated at 234,000 short tons, raw value. Although this production is more than double the 1955-59 average and in excess of consumption needs, even further expansion is possible.

Ceylon's Tea Crop Down

Production of tea in Ceylon totaled 368.5 million pounds during January-September 1964, down 6.2 million from the similar 1963 period. The 1963 tea crop was a record 484.6 million pounds.

Ceylon is the world's second largest producer of tea and the main supplier to the United States.

Brazil Sets Price Support on 1964-65 Jute

New support prices to growers and processors for Brazil's 1964-65 jute crop were established on November 24, 1964, by Presidential Decree No. 55,061. Following are the prices in cruzeiros per kilogram (U.S. cents per lb. in parentheses):

Types:	*To growers*	*To processors*
1	Free	Free
3	234 (6.4)	351 (9.5)
5	200 (5.4)	300 (8.1)
7	184 (5.0)	276 (7.5)
9	150 (4.1)	225 (6.1)

Financing of the crop in the form of loans, will be on the basis of 80 percent of jute price to growers.

Although Brazil is the third largest producer of jute, its 1964 output, estimated at 100 million pounds, represents only about 2 percent of world production. India and Pakistan are the two major producers.

Sweden Announces Import Calendar for Apples

According to a recent announcement by the Swedish Agricultural Marketing Board, fresh apples may be imported into Sweden without quantitative restriction between February 17 and June 30, 1965.

Finland To Import Less Feed Supplements

The Finnish Cabinet recently confirmed the annual list of feed concentrates and oil-bearing materials to be imported during the 12-month period beginning June 1, 1964. At the recommendation of the Ministry of Agriculture, imports will continue to be strictly controlled in an effort

to hold down mounting surpluses of livestock products. There was, however, a possibility that import quotas would be revised after official estimates of 1964 domestic feed crops became available.

Among the quantities and types eligible for import licensing through May 1965 were: oilcake and meal of soybeans, rapeseed, turnip-rapeseed, linseed, or sunflowerseed, either to be imported as such or to be manufactured domestically from imported oilseed—65,000 metric tons; for emergency stockpile, oilcake and meal or corresponding quantity of oilseeds to be processed by the oil extraction industry—20,000 metric tons.

Licenses will also be granted to the oil extraction industry for oilseeds to be processed into oilcake and re-exported or stockpiled at industry expense.

Import licenses for copra, palm kernels, peanuts, and safflowerseed for the extraction of edible oils will continue to be granted according to the normal requirements of the margarine and other edible fat industries.

In the 12-month period June 1963 through May 1964, Finland imported 55,099 metric tons of oilcake and meal and 72,760 tons of oil-bearing materials, according to the Finnish Board of Customs.

Just before the Cabinet announced its decision on imports, the Federation of Processing Dairies proposed the importation of 100,000 tons of feed concentrates for the current indoor feeding season, which began in September. The suggestion was based on the fact that the 1964 harvest of feed items was reduced slightly from last year's bumper crops by unfavorable weather and that farmers in north and east Finland were particularly in need of imported feeds. These needs were covered by a Cabinet decree providing that 15,000 tons out of the 65,000 tons of oilcake authorized for import will be sold specifically in areas where the grain and feed crops were reduced.

Greece Exports Less Olive Oil

In January-September 1964, Greece exported 305 metric tons of olive oil compared with 2,666 in the same period of 1963 and 2,728 in all of 1963. Exports in the current season continue to be limited by high domestic prices at levels significantly above those in world markets. Olive oil exports are not subsidized *(Foreign Agriculture,* Dec. 7, 1964).

U.S. Exports of Soybeans, Edible Oils, Cakes, Meals

October *soybean* exports from the United States, at 29.5 million bushels, established a new monthly record; they were not only far above the 11.0 million exported in September, but 8 percent above the previous monthly record of 27.4 million exported in November 1962. Strong demand coupled with the impending dock strike influenced this rise. The previous monthly record preceded the dock strike of December 1962.

Exports of *edible oils* (soybean and cottonseed) in October were down to 105.5 million pounds, as reported by Census, compared with 168.5 million in the previous month. Soybean oil exports at 70.5 million pounds were sharply below the 124.8 million shipped in September, and cottonseed oil exports at 35.0 million fell by 8.7 million.

Total *cake and meal* exports in October, at 179,800 short tons, were slightly below the 184,400 tons of the previous month. Soybean cake and meal exports were 154,700 tons—a record for the month of October. The record for monthly exports of soybean cake and meal was 195,600 tons in March 1963. The decline in the October volume reflected smaller exports of linseed meal.

U.S. EXPORTS OF SOYBEANS, EDIBLE OILS, AND OILSEED CAKES AND MEALS

Item	October-September		October	
	1962-63 [1]	1963-64 [1]	1963 [1]	1964 [1]
SOYBEANS				
Canada million bushels	26.8	31.8	4.7	6.2
Japan do	48.7	44.8	4.1	5.5
Germany, W. do	22.6	28.6	2.3	4.7
Netherlands do	20.9	22.9	3.1	4.6
Denmark do	12.3	9.1	1.7	2.3
Others do	49.0	53.9	3.9	6.2
Total do	180.3	191.1	19.8	29.5
Oil equiv. mil. pounds	1,980.2	2,098.3	217.3	324.0
Meal equiv. 1,000 tons	4,238.1	4,490.8	465.2	693.4
EDIBLE OILS				
Soybean:				
Commercial: [2]				
Turkey mil. pounds	89.9	106.3	23.5	30.5
China, (Taiwan) do	1.3	16.3	----	7.1
Greece do	39.4	16.5	----	6.6
Iran do	36.3	71.1	4.4	6.2
Hong Kong do	35.7	48.5	1.9	5.7
Chile do	34.2	17.7	4.9	3.5
Canada do	26.3	30.0	3.0	2.3
Guinea do	----	----	----	2.1
Israel do	59.7	20.7	2.6	2.1
Others do	770.6	758.2	59.3	4.4
Total do	1,093.4	1,085.3	99.6	70.5
Foreign donations [3] do	67.7 [4]	.1	----	([5])
Total soybean do	1,161.1	1,085.4	99.6	70.5
Cottonseed:				
Commercial: [2]				
Germany, West mil pounds	48.6	110.6	12.6	11.7
Turkey do	45.2	44.5	----	8.0
Canada do	30.2	32.9	2.8	3.2
Brazil do	----	31.3	----	2.6
Vietnam do	3.9	.9	----	2.2
Hong Kong do	.2	.2	([6])	1.7
Venezuela do	20.6	27.2	2.6	1.5
Others do	204.7	303.3	7.2	4.1
Total do	353.4	550.9	25.2	35.0
Foreign donations [3] do	29.4 [4]	([6])	----	([5])
Total cottonseed do	382.8	550.9	25.2	35.0
Total oils do	1,543.9	1,636.3	124.8	105.8
CAKES AND MEALS				
Soybean:				
Canada 1,000 tons	265.9	210.3	19.0	25.7
France do	218.2	247.0	16.7	23.9
Germany, W. do	121.9	160.9	10.2	21.5
Netherlands do	193.0	141.1	16.4	21.5
Italy do	123.6	74.4	2.3	14.4
Belgium do	102.7	126.3	4.5	13.8
Spain do	196.3	161.1	11.1	13.6
Denmark do	92.7	93.1	7.3	9.5
Sweden do	([7])	([7])	----	3.4
Others do	161.4	270.1	5.0	7.4
Total do	1,475.7	1,484.3	92.5	154.7
Cottonseed do	84.9	54.3	14.8	12.7
Linseed do	52.2	61.3	2.3	12.4
Total cakes and meals [8] do	1,624.3	1,604.2	109.6	179.8

[1] Preliminary. [2] Includes Title I, II, and IV of P.L. 480, except soybean and cottonseed oils contained in shortening exported under Title II. Excludes estimates of Title II exports of soybean and cottonseed oil not reported by Census. [3] Title II, P.L. 480. [4] Incomplete. [5] If any, data not available. [6] Less than 50,000 pounds. [7] Less than 50 tons. [8] Includes peanut cake and meal and small quantities of other cakes and meals.

Compiled from Census records and USDA estimates.

Note: Countries indicated are ranked according to quantities taken in the current marketing year.

Australian Vegetable Oil Imports Increase

Australian imports of vegetable oils, which in 1962-63 (July-June) gained only slightly from the previous year, increased by about one-third in 1963-64. The indicated increase reflects larger imports of edible oils, chiefly peanut and safflower oils. Imports of inedible oils, largely linseed oil, declined significantly.

Edible vegetable oil imports have trended upward, owing to a growing demand coupled with small domestic production and reduced production of edible marine oils. However, increased production of peanut oil in 1964-65—estimated at 24,600 short tons against 22,400 tons in 1962-63 and 14,000 in 1962-63—may serve to curb this trend in 1964-65. Production of safflowerseed oil will also rise sharply, reflecting a marked increase in acreage seeded.

Olive oil imports may increase somewhat, since it is reported that olive growing is a dying industry in New South Wales and other states, its decline due in part to the high cost of domestically produced oil. Australia imports more than four-fifths of its olive oil requirements.

AUSTRALIAN IMPORTS OF SELECTED VEGETABLE OILS [1]

Item	Year beginning July 1			
	1960-61	1961-62	1962-63	1963-64
	Short tons	*Short tons*	*Short tons*	*Short tons*
Edible vegetable oils:				
Peanut	7,684	5,788	10,242	18,870
Soybean	2,006	2,307	4,678	4,853
Rapeseed	177	175	445	2,130
Safflower	1,768	3,259	3,259	5,610
Olive	5,167	6,601	5,431	4,685
Coconut	1	323	599	819
Palm kernel	(2)	472	680	1,318
Palm	1,736	3,735	3,143	4,504
Total	18,539	22,660	28,477	42,789
Inedible:				
Linseed	3,554	8,568	3,929	23
Castor	1,687	1,515	1,373	2,400
Tung	1,767	1,262	1,258	1,197
Total	7,008	11,345	6,560	3,620
Grand total	25,547	34,005	35,037	46,409

[1] Converted from imperial gallons at 9.0075 lb. per gallon except for castor oil which is 9.608 lb. per gallon. [2] Not separately classified.

Commonwealth Bureau of Census and Statistics.

Inedible vegetable oil imports are expected to continue a downtrend. This reflects increased domestic production of flaxseed, as a result of guaranteed minimum prices behind a wall of increased tariffs. Further increases in production are expected to result from improved cultural practices and development of higher yielding varieties.

Australian flaxseed production, which rose from 1.0 million bushels in 1962-63 to 1.3 million in 1963-64, is expected to approximate 1.6 million in 1964-65. Consequently, linseed oil imports may again decline.

French Butter Exports Rise Sharply

France's exports of butter during the first 8 months of 1964 were 60 million pounds compared with 46 million a year earlier.

Sales to the United Kingdom increased by 12 million pounds to more than 16 million. Trade with Morocco also was much heavier, rising from 968,000 pounds to 4 million. Somewhat larger shipments were made to West Germany and also to some of the lesser outlets in Africa.

However, sales to several of the more important markets declined from the 1963 level. Among these were Italy, which reduced its purchases from 11 million pounds to 10 million, and Algeria, from 9 million pounds to 6 million. No sales were made to Hungary, which took 2 million pounds in the same period of 1963.

U.S. Cotton Exports Lag Behind Last Season

U.S. exports of all types of cotton amounted to 594,000 running bales in the first 3 months (August-October) of the 1964-65 season. This was 42 percent below the 1,019,000 bales exported in the same period a year ago.

Exports in October increased to 290,000 bales but were still 24 percent below the 384,000 exported in October 1963. September exports were 184,000 bales, compared with 361,000 in the same month a year ago.

U.S. COTTON EXPORTS BY COUNTRY OF DESTINATION

Country of destination	Year beginning August 1			August-October	
	Average 1955-59	1962	1963	1963	1964
	1,000 running bales	*1,000 running bales*	*1,000 running bales*	*1,000 running bales*	*1,000 running bales*
Austria	33	13	23	3	2
Belgium-Luxembourg	160	72	176	30	18
Bulgaria	0	0	19	0	0
Denmark	17	13	16	3	1
Finland	22	13	10	2	2
France	360	180	380	84	53
Germany, West	475	101	401	100	64
Hungary	0	0	18	0	0
Italy	416	192	441	92	78
Netherlands	124	71	127	20	5
Norway	10	10	14	3	2
Poland and Danzig	85	62	132	33	21
Portugal	28	7	35	3	1
Spain	171	(1)	14	(1)	(1)
Sweden	75	56	88	23	12
Switzerland	64	37	95	27	21
United Kingdom	525	139	286	54	24
Yugoslavia	108	113	78	4	11
Other Europe	17	3	20	0	6
Total Europe	2,690	1,082	2,373	481	321
Australia	54	41	91	20	15
Canada	217	271	448	81	39
Chile	35	24	2	(1)	(1)
Colombia	33	1	14	3	0
Cuba	27	0	0	0	0
Ethiopia	4	15	9	1	0
Hong Kong	134	79	187	33	7
India	184	198	314	13	18
Indonesia	30	51	20	4	0
Iraq	0	0	20	0	0
Israel	16	7	26	2	3
Japan	1,154	895	1,300	221	82
Korea, Rep. of	205	236	313	63	49
Morocco	10	8	15	4	3
Pakistan	14	8	8	(1)	0
Philippines	64	108	140	33	15
South Africa	26	19	37	7	9
Taiwan (Formosa)	153	223	189	25	22
Thailand	4	22	39	11	3
Uruguay	15	0	(1)	(1)	0
Venezuela	2	5	12	2	1
Vietnam [2]	2	36	75	13	4
Other countries	27	22	28	2	3
Total	5,100	3,351	5,660	1,019	594

[1] Less than 500 bales. [2] Indochina prior to 1958. Includes Laos and Cambodia.

Italian Olive Oil Trade

Imports of olive oil during the January-September period of 1964 were 52,029 metric tons, 45 percent below the 94,572 tons imported in the same period of 1963. This decline resulted from government efforts to discourage olive

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oil imports because of the high outturn in 1963-64 (*Foreign Agriculture,* Nov. 9, 1964). Olive oil exports in the same period of 1964 totaled 10,192 tons, 68 percent above the 6,063 tons exported in the same 1963 period.

Because of excess rains and flooding in some sections, Italy's 1964-65 outturn of olive oil is estimated at 350,000 short tons (317,120 metric tons) compared with 550,000 short tons (498,960 metric tons) in 1963-64.

Peruvian Fishmeal Production and Exports

Peruvian fishmeal production during the first 10 months of 1964 totaled 1,190,000 metric tons, an increase of 286,000, or 32 percent, from the 904,000 of January-October 1963. November and December are seasonally good fishing months, and production of fishmeal for the entire year is likely to exceed 1.4 million tons.

Shipments of fishmeal during the first 10 months of 1964, at 1,183,000 tons, were 23 percent greater than the 963,000 exported in the same period of 1963. Exports in all of 1963 totaled 1,159,731 tons.

Fish oil exports through October totaled 100,200 tons, compared with 110,035 in 1963, and 150,596 in 1962.

WORLD CROPS AND MARKETS INDEX

Cotton

Dairy and Poultry Products

Fats, Oilseeds, and Oils

Fruits, Vegetables, and Nuts

Grains, Feeds, Pulses, and Seeds

Sugar, Fibers, and Tropical Products

Tobacco